Pay per use model

FINANCIAL MODELING

LECTURE SUMMARY

Covered in this lecture:

How the pay per use model works

- **How it works: Customers pay every time they use the product / service**

  Example: iTunes

- You might have a lower setup fee and higher pay per use fee, or a higher setup fee and lower pay per use fee

- How much the customers use the product will determine your revenue

See you next lecture!